

REPORT OF ACCOUNTING DEPARTMENT
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 1999-001-E
CAROLINA POWER & LIGHT COMPANY

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ANALYSIS

The Accounting Department Staff has made an examination of the books and records of Carolina Power & Light Company (hereinafter referred to as "the Company") relative to the Commission's requirement under Docket No. 1999-001-E, that periodic hearings be conducted before the Commission concerning the Adjustment of Base Rates for Fuel Costs.

The current investigation of the Company's Retail Fuel Adjustment Clause covered the period of January 1998 through March 1999. Since the current hearing is scheduled for March 1999, Staff's audit consisted of actual fuel costs for the period January 1998 through December 1998 and projected fuel costs for January, February and March 1999. Staff's computations of the Deferred Fuel Entries (Exhibit G) for the months of January, February and March 1999 were estimated for the purpose of adjusting base rates effective April 1, 1999. The January, February and March 1999 estimates will be trued-up in the Company's next hearing.

The Accounting Department Staff's examination consisted of the following:

1. Analysis of the Fuel Stock Account—Account #151
2. Sample of Receipts to the Fuel Stock Account – Account # 151
3. Verification of Charges to Nuclear Fuel Expense – Account # 518
4. Verification of Purchased Power and Interchange (Net)
5. Verification of KWH Sales
6. Comparison of Coal Costs
7. Recomputation of Fuel Costs Adjustment Factor and Verification of Unbilled Revenue
8. Recomputation of True-up for (Over)Under-Recovered Fuel Costs
9. Analysis of Spot Coal Purchasing Procedures

ANALYSIS OF FUEL STOCK ACCOUNT-- ACCOUNT # 151

Staff's analysis of the Fuel Stock Account consisted of tracing receipts to and issues from the fuel management system to the General Ledger, reviewing monthly journal entries originating in fuel accounting, and ensuring that only proper charges are entered in the Company's computation of fuel costs for purposes of adjusting base rates for fuel costs.

SAMPLE OF RECEIPTS TO THE FUEL STOCK ACCOUNT –

ACCOUNT # 151

Staff's sample of receipts to the Fuel Stock Account consisted of randomly selecting transactions, tracing each of these transactions to a waybill and a purchase order for documentation purposes, and recalculating the transactions to insure mathematical correctness.

VERIFICATION OF CHARGES TO NUCLEAR FUEL EXPENSE –

ACCOUNT # 518

Staff verified expense amounts to the Company's General Ledger. The expenses were also verified to the monthly fuel reports filed by the Company with this Commission.

ANALYSIS OF PURCHASED POWER AND INTERCHANGE (NET)

Staff performed an examination of the company's purchased power and interchange (net) amount used in the Fuel Adjustment Clause (FAC) for the period January 1998 through December 1998.

Staff obtained the detail of the purchases and sales made by Carolina Power and Light Company to and from other electric utilities. Staff verified the amounts which are being used in computing total fuel costs for each month. This detail allowed the Staff to identify all fuel costs which are being passed through the clause in computing the factor above or below base for each period. See Staff's Exhibit F for details.

Furthermore, in accordance with PSC Order No. 90-961, Docket No. 90-004-E, dated October 18, 1990, Staff was specifically directed to examine the

Company's nonfirm, off-system sales to preclude any possible problems in this area and to include language in its audit procedures to address these matters. Accordingly, Staff traced the sales and purchases transactions for January 1998 through December 1998 to the Company's sales and purchases monthly invoices. Staff recomputed all of the sales and purchases.

In accordance with Public Service Commission Order No. 90-961, Docket No. 90-004-E, dated October 18, 1990, Staff will continue to review the Company's nonfirm, off-system transactions during future audits.

VERIFICATION OF KWH SALES

The Accounting Department Staff reconciled the KWH sales as reported to the Commission through monthly fuel adjustment filings.

COMPARISON OF COAL COSTS

Staff prepared exhibits from Carolina Power and Light Company's books and records reflecting coal costs during the review period. Specifically, these exhibits are as follows:

Exhibit A – COAL COST STATISTICS

Exhibit B – RECEIVED COAL – COST PER TON (PER PLANT)

Exhibit C – RECEIVED COAL – COST PER TON COMPARISON

With reference to Exhibit A, Coal Cost Statistics, Staff has shown a detailed analysis of spot and contract coal for the twelve (12) months ended December 1998. Also, in Exhibit A, the Weighted Average of Coal Received is reflected for the twelve-month period. Total costs for the twelve-month period

were divided by the total tons for the twelve-month period in arriving at the average.

In Exhibit B, Received Coal-Cost Per Ton (Per Plant), Staff reflects the overall cost per ton of coal by month per plant.

In Exhibit C, Received Coal-Cost Per Ton Comparison, Staff reflects the overall cost per ton of coal by month for the three major electric utilities regulated by this Commission.

RECOMPUTATION OF FUEL COSTS ADJUSTMENT FACTOR AND VERIFICATION OF UNBILLED REVENUES

Staff recomputed the Fuel Costs Adjustment Factor for the months of January 1998 through December 1998.

RECOMPUTATION OF TRUE-UP FOR (OVER) UNDER-RECOVERED FUEL COSTS

Staff analyzed the cumulative under-recovery of fuel costs that the Company had incurred for the period January 1998 through December 1998 totaling \$14,334,022. Staff added the projected under-recovery of \$318,364 for the month of January 1999, the projected over-recovery of \$571,287 for the month of February 1999, and the projected over-recovery of \$1,087,277 for the month of March 1999 to arrive at an cumulative under-recovery of \$12,993,822 as of March 1999. The Company's cumulative under-recovery, per its testimony in Docket No. 1999-001-E, as of December 1998 totals \$14,760,267 and as of March 1999, the cumulative under-recovery totals \$13,420,066. The difference between the Company's and the Staff's cumulative under-recovery as of actual

December 1998 is \$426,245, and as of estimated March 1999 the difference is \$426,244. The cumulative difference as of December 1998 of \$426,245 is based on Staff's calculation adjustments to the Purchased Power Costs for January 1998 through December 1998 (per Staff's report), after Staff reviewed the Company's Purchased Power invoices and reports.

As stated in Carolina Power & Light Company's S.C. Retail Adjustment for Fuel Costs Rider, fuel costs will be included in base rates to the extent determined reasonable and proper by the Commission.

Accordingly, the Commission should consider the under-recovery of \$12,993,822 along with the anticipated fuel costs for the period April 1, 1999 through March 31, 2000 for the purpose of determining the base cost of fuel in base rates effective April 1, 1999. The \$12,993,822 under-recovery figure was provided to the Commission's Utilities Department.

ANALYSIS OF SPOT COAL PURCHASING PROCEDURES

The Accounting Staff examined the procedure followed by the Company's Fossil Fuel Department for obtaining and accepting bids on spot coal. The Fossil Fuel Department maintains a list of coal vendors (suppliers) from whom bids are solicited monthly. Each month Carolina Power & Light Company's spot coal purchasing personnel mails each of these coal vendors a Coal Quotation Form and letter requesting bids for the next month. In order for a coal vendor's name to be on this mailing list, the coal vendor must have completed the Supplier Capability Report and must possess the necessary financial, technical, and

business resources to supply coal consistent with Carolina Power & Light Company's requirements.

The Coal Quotation Forms provide such information as the name of the coal company (the supplier), the name of the producer, the name of the mine, the number of tons offered, coal specifications, price per ton, the month the shipment will be made, mining methods of the producer and shipping transportation data. It should be noted that these solicitation letters and Coal Quotation Forms, based on whether a coal vendor has any spot coal to sell, are sent to the suppliers every month when there are near-term needs for coal.

If the Company does decide to purchase spot coal in a given month, after reviewing their spot coal requirements for that month, then the bids received from the coal vendors are evaluated. The Company normally requires all bids to be made on Coal Quotation Forms. For evaluation purposes, the spot coal quotations are evaluated in a coal quality impact model which examines cost impacts related to boiler efficiency, fuel handling and ash handling. Then a Coal Eval Program computer run, which statistically compiles the quotation data, is used by the Company to adhere to sulfur limitations imposed by State and Federal regulations, as well as to exclude any coal which may exceed other environmental and generating unit constraints. The Eval Program helps to prevent the purchase of any coal with an evaluated historical level that could result in a violation.

The Company's coal procurement personnel consider at least three factors when they evaluate the spot coal bids: (a) the price per ton (including

freight), (b) the BTU, ash, moisture, volatiles, grindability, ash softening temperature, and sulfur content of the coal offered and (c) the past performance of the supplier and coal obtained from the producer. The Company's coal procurement personnel determine the current market price for spot coal prior to negotiating with the coal vendors over their bids. In this way, the coal procurement personnel determine the limits they should stay within when bargaining for coal. The coal procurement personnel bargain over the price of the coal as well as other possible terms and conditions of a prospective purchase, and either accept (the offer given or a counter-offer) or reject the coal vendor's offer.

Upon agreement on a spot coal purchase, the Fossil Fuel Department prepares a purchase letter, which documents the terms and conditions of the purchase. The coal vendor is faxed a copy of the purchase letter. When the coal is received at the plant, the Company samples and analyzes each spot coal shipment for BTU, ash, moisture and sulfur content, and periodically analyzes coal for volatiles, grindability, and ash softening temperature. The coal analysis results are entered into the computerized Fuel Management System, which is used by the Fossil Fuel Department to monitor coal receipts and to process coal payments. The appropriate premium or penalty on the coal purchased is determined by the Fossil Fuel Department through the Fuel Management System which adds a premium or assesses a penalty to the total amount due to the coal vendor, and the results are forwarded to the Company's Accounting Department. The Fossil Fuel Department closely monitors the quality of coal shipped by

various producers. If poor performance is rendered by a certain producer, the coal procurement personnel consider this when analyzing any future offers received from the supplier.

The Company's spot coal requirements are obtained through short-term commitments with terms that may range from one month to twelve months duration.

During the period January 1998 through December 1998, the Company, after a review of its inventory needs, determined that approximately 296,000 tons of spot coal would be required. The actual amount of spot coal received for this period is reflected in Staff's Exhibit A.

EXHIBITS

The Accounting Department Staff's exhibits relative to this proceeding are identified as follows:

EXHIBIT A: COAL COST STATISTICS (AND WEIGHTED AVERAGE OF COAL RECEIVED)

In Exhibit A, Coal Cost Statistics, Staff compares spot and contract coal received for the period January 1998 through December 1998. The comparison is made in five (5) areas as follows;

- (1) Tons Received
- (2) Percentage of Total Tons Received
- (3) Received Cost Per Ton
- (4) Total Received Cost
- (5) Cost Per MBTU

This exhibit also reflects the total spot and contract tons received during the period January 1998 through December 1998. Staff has taken the total received cost for the twelve (12) months and divided this by the total tons for the twelve (12) months in arriving at a Weighted Average Cost per ton for the twelve (12)-month period.

EXHIBIT B: RECEIVED COAL-COST PER TON (PER PLANT)

This exhibit reflects the received cost per ton by month for each of Carolina Power and Light Company's plants.

EXHIBIT C: RECEIVED COAL-COST PER TON COMPARISON

In Exhibit C, Received Coal-Cost Per Ton, Staff has made a comparison of received coal-cost per ton for Carolina Power & Light Company, Duke Power Company and South Carolina Electric & Gas Company. The costs per ton reflected for the coal purchases were extracted from fuel costs data from all three major electric utilities.

EXHIBIT D: COAL FUEL STOCKS—NUMBER OF DAYS OF SUPPLY (ALL PLANTS)

This exhibit reflects Carolina Power & Light Company's coal inventory in terms of tons received, consumed, and on hand at the end of the month. The number of days of supply is also shown.

EXHIBIT E: TOTAL BURNED COST (FOSSIL AND NUCLEAR)

This exhibit shows fuel costs burned by type during the period January 1998 through December 1998.

EXHIBIT F: COST OF FUEL

In Exhibit F, Staff has computed the total fuel cost applicable to the factor computation. There are three (3) components used in arriving at this cost. These components are as follows:

- (1) Cost of Fuel Burned
- (2) Purchase and Interchange Power Cost
- (3) Authorized Adjustments

Cost of Fuel Burned – This amount is the burned cost of all fossil and nuclear fuel during the period. A detail breakdown of coal, oil, gas and nuclear fuel can be seen in Exhibit E.

Purchase and Interchange Power Fuel Cost – This amount is the monthly kilowatt hours delivered to or received by one electric utility from another electric utility.

Authorized Adjustments – These are amounts decreasing the total fuel cost as authorized by regulatory agencies.

Total fuel cost applicable to the factor is computed by adding cost of fuel burned to purchase and interchange power and authorized adjustments.

EXHIBIT G: S.C. FUEL COSTS COMPUTATION

Shown in this exhibit are the actual costs for January 1998 through December 1998 and the estimated fuel costs for January, February and March 1999.

Based on the Accounting Staff's examination of Carolina Power & Light Company's books and records, a comparison of fuel costs among utilities and the utilization of the fuel costs recovery mechanism as directed by this Commission, the Accounting Staff is of the opinion that the Company has complied with the directives of the Commission.

CAROLINA POWER & LIGHT COMPANY
COAL COST STATISTICS
JANUARY 1998 - DECEMBER 1998

SPOT

<u>MONTH</u>	<u>TONS RECEIVED</u>	<u>% SPOT</u>	<u>COST/TON RECEIVED</u>	<u>TOTAL RECEIVED COST</u>	<u>SPOT COST/MBTU</u>
	<u>TONS</u>	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Jan-98	363,296.22	31.97%	34.48	12,526,317.02	1.4168
Feb-98	207,491.35	13.76%	34.92	7,244,776.27	1.4268
Mar-98	248,034.64	35.25%	34.47	8,550,566.88	1.4235
Apr-98	165,896.44	13.79%	35.46	5,883,038.10	1.4333
May-98	110,786.42	10.98%	32.12	3,558,753.06	1.3766
Jun-98	40,292.30	4.43%	34.15	1,375,869.85	1.4420
Jul-98	30,087.94	3.93%	33.34	1,003,129.39	1.5128
Aug-98	74,594.99	6.52%	32.47	2,421,906.69	1.4200
Sep-98	77,082.80	11.56%	31.40	2,420,074.23	1.3259
Oct-98	99,498.08	9.46%	31.84	3,167,789.10	1.3748
Nov-98	38,379.26	4.46%	28.58	1,096,779.15	1.2803
Dec-98	91,524.57	10.19%	31.13	2,849,595.77	1.4017

CONTRACT

<u>MONTHS</u>	<u>TONS RECEIVED</u>	<u>% CONTRACT</u>	<u>COST/TON RECEIVED</u>	<u>TOTAL RECEIVED COST</u>	<u>CONTRACT COST/MBTU</u>
	<u>TONS</u>	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Jan-98	773,050.96	68.03%	42.21	32,631,907.59	1.7145
Feb-98	1,300,068.53	86.24%	34.90	45,368,410.56	1.4205
Mar-98	455,522.87	64.75%	55.55	25,302,613.04	2.2290
Apr-98	1,036,948.60	86.21%	42.45	44,013,774.89	1.7145
May-98	898,256.42	89.02%	40.42	36,311,337.88	1.6341
Jun-98	869,947.11	95.57%	44.37	38,599,880.05	1.7977
Jul-98	736,377.78	96.07%	47.05	34,643,359.03	1.8873
Aug-98	1,070,298.11	93.48%	40.91	43,788,663.08	1.6456
Sep-98	589,748.28	88.44%	41.17	24,277,320.03	1.6424
Oct-98	952,292.84	90.54%	41.95	39,944,134.21	1.6808
Nov-98	821,887.31	95.54%	37.90	31,150,694.47	1.5240
Dec-98	806,402.68	89.81%	44.31	35,733,480.41	1.7862

COMBINED

<u>MONTHS</u>	<u>TONS RECEIVED</u>	<u>% COMBINED</u>	<u>COST/TON RECEIVED</u>	<u>TOTAL RECEIVED COST</u>	<u>COMBINED COST/MBTU</u>
	<u>TONS</u>	<u>%</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Jan-98	1,136,347.18	100.00%	39.74	45,158,224.61	1.6201
Feb-98	1,507,559.88	100.00%	34.90	52,613,186.83	1.4214
Mar-98	703,557.51	100.00%	48.12	33,853,179.92	1.9503
Apr-98	1,202,845.04	100.00%	41.48	49,896,812.99	1.6758
May-98	1,009,042.84	100.00%	39.51	39,870,090.94	1.6073
Jun-98	910,239.41	100.00%	43.92	39,975,749.90	1.7826
Jul-98	766,465.72	100.00%	46.51	35,646,488.42	1.8742
Aug-98	1,144,893.10	100.00%	40.36	46,210,569.77	1.6320
Sep-98	666,831.08	100.00%	40.04	26,697,394.26	1.6076
Oct-98	1,051,790.92	100.00%	40.99	43,111,923.31	1.6537
Nov-98	860,266.57	100.00%	37.49	32,247,473.62	1.5142
Dec-98	897,927.25	100.00%	42.97	38,583,076.18	1.7507

<u>Total Received Cost</u>	=	<u>\$483,864,170.75</u>	=	<u>\$40.81</u>
<u>Total Tons Received</u>		11,857,766.50		

ACCOUNTING EXHIBIT B

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL-COST PER TON (PER PLANT)
JANUARY 1998 - DECEMBER 1998

PLANT	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPE FEAR	38.38	41.94	42.96	36.44	38.61	35.71	43.08	39.72	39.51	45.34	43.05	43.78
WEATHERSPOON	40.06	49.39	41.53	43.84	41.86	53.14	42.98	44.98	42.13	52.01	51.49	57.50
LEE	38.40	37.14	35.77	40.70	40.94	40.09	47.30	46.50	39.22	41.05	43.75	52.92
SUTTON	41.62	43.97	45.45	50.49	41.41	52.59	44.67	46.48	41.60	43.03	40.05	41.54
ROBINSON	33.38	38.76	37.58	38.27	36.20	45.41	54.51	43.82	44.47	33.64	-0-	37.53
ASHEVILLE	33.80	34.53	33.02	36.28	36.38	40.68	43.03	37.46	37.39	38.66	37.12	38.58
ROXBORO 1-3	39.05	29.16	44.78	38.73	38.68	45.58	59.32	38.22	38.82	39.38	34.03	43.54
ROXBORO 4	45.15	55.88	35.57	45.07	37.90	44.21	40.81	38.96	43.07	44.16	38.57	40.46
MAYO	42.70	32.13	43.21	47.31	43.21	41.34	40.28	38.96	40.11	40.20	33.37	39.71
TOTAL	39.74	34.90	48.12	41.48	39.51	43.92	46.51	40.36	40.04	40.99	37.49	42.97

CAROLINA POWER & LIGHT COMPANY
RECEIVED COAL-COST PER TON COMPARISON
JANUARY 1998 - DECEMBER 1998

<u>CAROLINA POWER & LIGHT COMPANY</u>				
<u>FREIGHT</u>				
<u>MONTH</u>	<u>INVOICE COST</u>	<u>COST PER</u>	<u>TOTAL COST</u>	<u>COST PER</u>
	<u>PER TON</u>	<u>TON</u>	<u>PER TON</u>	<u>MBTU</u>
	\$	\$	\$	\$
Jan-98	29.23	10.51	39.74	1.6201
Feb-98	25.42	9.48	34.90	1.4214
Mar-98	36.47	11.65	48.12	1.9482
Apr-98	30.84	10.64	41.48	1.6758
May-98	28.99	10.52	39.51	1.6073
Jun-98	33.15	10.57	43.72	1.7826
Jul-98	34.93	11.58	46.51	1.8742
Aug-98	30.62	9.74	40.36	1.6320
Sep-98	29.15	10.89	40.04	1.6076
Oct-98	30.27	10.72	40.99	1.6537
Nov-98	29.24	8.25	37.49	1.5142
Dec-98	33.82	9.15	42.97	1.7507

<u>DUKE POWER COMPANY</u>				
<u>FREIGHT</u>				
<u>MONTH</u>	<u>INVOICE COST</u>	<u>COST PER</u>	<u>TOTAL COST</u>	<u>COST PER</u>
	<u>PER TON</u>	<u>TON</u>	<u>PER TON</u>	<u>MBTU</u>
	\$	\$	\$	\$
Jan-98	25.80	7.96	33.76	1.3651
Feb-98	25.90	8.25	34.15	1.3729
Mar-98	25.75	9.24	34.99	1.4085
Apr-98	26.25	9.28	35.53	1.4437
May-98	25.23	9.60	34.83	1.4105
Jun-98	24.97	9.91	34.88	1.4073
Jul-98	25.13	9.75	34.88	1.4014
Aug-98	25.17	9.49	34.66	1.3865
Sep-98	25.77	9.52	35.29	1.4085
Oct-98	25.86	9.62	35.48	1.4188
Nov-98	25.76	9.52	35.28	1.4124
Dec-98	25.42	9.51	34.93	1.3995

<u>SOUTH CAROLINA ELECTRIC & GAS COMPANY</u>				
<u>FREIGHT</u>				
<u>MONTH</u>	<u>INVOICE COST</u>	<u>COST PER</u>	<u>TOTAL COST</u>	<u>COST PER</u>
	<u>PER TON</u>	<u>TON</u>	<u>PER TON</u>	<u>MBTU</u>
	\$	\$	\$	\$
Jan-98	25.86	14.23	40.09	1.5775
Feb-98	25.53	13.05	38.58	1.5177
Mar-98	25.36	12.84	38.20	1.4977
Apr-98	13.19	25.20	38.39	1.5000
May-98	12.97	25.19	38.16	1.5007
Jun-98	12.88	25.18	38.06	1.4930
Jul-98	12.82	25.59	38.41	1.5090
Aug-98	12.98	25.30	38.28	1.5214
Sep-98	12.96	25.05	38.01	1.5064
Oct-98	12.89	24.88	37.77	1.4887
Nov-98	12.70	25.39	38.09	1.4979
Dec-98	12.18	25.33	37.51	1.4698

ACCOUNTING EXHIBIT D

CAROLINA POWER & LIGHT COMPANY
 COAL FUEL STOCKS - NUMBER OF DAYS OF SUPPLY (ALL PLANTS)
 JANUARY 1998 - DECEMBER 1998

MONTH	TONS BEGINNING			TONS RECEIVED			TONS CONSUMED			BALANCE END		NUMBER OF	
	OF MONTH	DURING MONTH	TONS	DURING MONTH	TONS	OF MONTH	DURING MONTH	TONS	OF MONTH	TONS	DAYS OF SUPPLY	DAYS OF SUPPLY	DAYS OF SUPPLY
Jan-98	963,940	1,136,347	1,159,507	940,780	1,159,507	28							
Feb-98	1,159,507	1,507,560	820,290	1,846,777	1,846,777	45							
Mar-98	1,846,777	703,558	961,489	1,588,846	1,588,846	39							
Apr-98	1,588,846	1,202,845	746,482	2,045,209	2,045,209	50							
May-98	2,045,209	1,009,043	976,221	2,078,031	2,078,031	51							
Jun-98	2,078,031	910,239	1,014,527	1,973,743	1,973,743	49							
Jul-98	1,973,743	766,466	1,144,133	1,596,076	1,596,076	39							
Aug-98	1,596,076	1,144,893	1,139,528	1,601,441	1,601,441	39							
Sep-98	1,601,441	666,831	912,305	1,355,967	1,355,967	33							
Oct-98	1,355,967	1,051,791	780,132	1,627,626	1,627,626	40							
Nov-98	1,627,626	860,267	844,944	1,642,949	1,642,949	40							
Dec-98	1,642,949	897,927	835,351	1,705,525	1,705,525	42							

ACCOUNTING EXHIBIT E

CAROLINA POWER & LIGHT COMPANY TOTAL BURNED COST (FOSSIL AND NUCLEAR) JANUARY 1998 - DECEMBER 1998

MONTH	COAL	OIL	GAS	NUCLEAR	TOTAL BURNED COSTS
	\$	\$	\$	\$	\$
Jan-98	37,013,156	435,930	111,705	9,867,656	47,428,447
Feb-98	33,349,488	192,140	6,277	9,029,682	42,577,587
Mar-98	35,823,245	1,336,237	421,216	8,161,588	45,742,286
Apr-98	30,462,629	310,194	70,095	8,007,043	38,849,961
May-98	40,198,126	1,774,821	1,467,289	7,768,774	51,209,010
Jun-98	41,499,733	3,040,533	2,044,138	9,405,054	55,989,458
Jul-98	48,713,174	1,926,584	2,903,464	10,002,412	63,545,634
Aug-98	48,457,501	2,450,396	2,130,584	9,101,897	62,140,378
Sep-98	38,508,926	1,549,248	1,685,701	9,648,204	51,392,079
Oct-98	32,125,923	286,016	158,576	9,270,029	41,840,544
Nov-98	33,946,821	181,430	280,495	7,399,473	41,808,219
Dec-98	32,422,341	453,502	104,684	9,988,502	42,969,029
TOTALS	452,521,063	13,937,031	11,384,224	107,650,314	585,492,632

ACCOUNTING EXHIBIT F

CAROLINA POWER & LIGHT COMPANY
COST OF FUEL
JANUARY 1998 - DECEMBER 1998

<u>MONTH</u>	<u>COST OF FUEL</u> <u>BURNED</u>	<u>PURCHASE AND</u> <u>INTERCHANGE</u> <u>POWER FUEL</u> <u>COSTS</u>	<u>FUEL COST</u> <u>RECOVERED</u> <u>INTERSYSTEM</u> <u>SALES</u>	<u>TOTAL NET</u> <u>FUEL COSTS</u>
	\$	\$	\$	\$
Jan-98	47,428,447	7,337,389	(10,485,595)	44,280,241
Feb-98	42,577,587	6,657,368	(10,782,644)	38,452,311
Mar-98	45,742,286	9,812,733	(12,673,190)	42,881,829
Apr-98	38,849,961	7,524,641	(8,163,346)	38,211,256
May-98	51,209,010	9,391,271	(11,581,528)	49,018,753
Jun-98	55,989,458	21,607,221	(18,738,785)	58,857,894
Jul-98	63,545,634	15,780,357	(15,132,991)	64,193,000
Aug-98	62,140,378	16,171,491	(13,495,881)	64,815,988
Sep-98	51,392,079	12,711,785	(12,418,556)	51,685,308
Oct-98	41,840,544	7,955,891	(6,949,542)	42,846,893
Nov-98	41,808,219	7,663,084	(7,983,180)	41,488,123
Dec-98	42,969,029	8,704,034	(8,510,320)	43,162,743
Totals	585,492,632	131,317,265	(136,915,558)	579,894,339

CAROLINA POWER & LIGHT COMPANY
S.C. FUEL COSTS COMPUTATION
JANUARY 1998 - MARCH 1999

Description	Actual			
	January 1998	February 1998	March 1998	April 1998
Fossil Fuel	37,560,791	33,547,905	37,580,698	30,842,918
Nuclear Fuel	9,867,656	9,029,682	8,161,588	8,007,043
Purchased Power (2)	7,337,389	6,657,368	9,812,733	7,524,641
Subtotal	54,765,836	49,234,955	55,555,019	46,374,602
Less: Intersystem Sales	10,485,595	10,782,644	12,673,190	8,163,346
Net Fuel Costs	44,280,241	38,452,311	42,881,829	38,211,256
Total System KWH Sales	4,007,596,262	3,742,232,389	3,570,437,356	3,530,088,297
\$/KWH	0.01105	0.01028	0.01201	0.01082
Less: Base	0.01122	0.01122	0.01122	0.01122
Fuel Adjustment/KWH	(0.00017)	(0.00094)	0.00079	(0.00040)
S.C. KWH Sales	569,648,508	561,264,029	532,975,523	537,784,384
Deferred Fuel Entry December 1997	(96,840)	(527,588)	421,051	(215,114)
Cumulative (Over)/Under Recovery	6,212,396 (1)			
	6,115,556	5,587,968	6,009,019	5,793,905
				7,686,081
				9,509,641

Note:

(1) Staff's cumulative under-recovery balance brought forward from December 1997 of \$6,212,396 differs from the Company's beginning cumulative under-recovery balance from December 1997. This cumulative difference is based on Staff's corrections from the last fuel review period. It should be noted that the Company, in its testimony, reflects an adjustment of \$81,878 in October 1998.

(2) Staff's Purchased Power figures for January 1998 through August 1998 and the resultant (over)/under-recovery monthly amounts for March 1998, and May 1998 through August 1998 differs from the Company's figures. Staff's figures reflect calculation adjustments made to Purchased Power Costs for January 1998 through December 1998, per Staff's report. As a result, on a S.C. jurisdictional basis, the difference between the Company's and the Staff's cumulative under-recovery balances as of actual December 1998 is \$426,245 and the difference as of estimated March 1999 is \$426,244.

(3) The under-recovery for May 1998 consists of May's under-recovery amount of \$1,950,804 and a Company adjustment of (\$58,628), which tried-up the Intersystem Sales for March 1998.

(4) Staff's June 1998 Intersystem Sales figure of \$18,738,785 reflects a revision based on a keying error correction of \$442.

ACCOUNTING EXHIBIT G
PAGE 2 of 2

CAROLINA POWER & LIGHT COMPANY
S.C. FUEL COSTS COMPUTATION
JANUARY 1998 - MARCH 1999

Description	ACTUAL							ESTIMATED	
	July 1998	August 1998	September 1998	October 1998	November 1998	December 1998	January 1999	February 1999	March 1999
Fossil Fuel	53,543,222	53,038,481	41,743,875	32,570,515	34,408,746	32,980,527			
Nuclear Fuel	10,002,412	9,101,897	9,648,204	9,270,029	7,399,473	9,988,502			
Purchased Power (2)	15,780,357	16,171,491	12,711,785	7,955,891	7,663,084	8,704,034			
Subtotal	79,325,991	78,311,869	64,103,864	49,796,435	49,471,303	51,673,063			
Less: Intersystem Sales	15,132,991	13,495,881	12,418,556	6,949,542	7,983,180	8,510,320			
Net Fuel Costs	64,193,000	64,815,988	51,685,308	42,846,893	41,488,123	43,162,743	47,705,261	39,845,400	35,274,400
Total System KWH Sales	4,804,972,103	4,596,958,714	4,395,899,097	3,725,013,824	3,311,461,143	3,706,425,865	4,054,715,029	3,891,078,000	3,778,642,000
\$/KWH	0.01336	0.01410	0.01176	0.01150	0.01253	0.01165	0.01177	0.01024	0.00934
Less: Base	0.01122	0.01122	0.01122	0.01122	0.01122	0.01122	0.01122	0.01122	0.01122
Fuel Adjustment/KWH	0.00214	0.00288	0.00054	0.00028	0.00131	0.00043	0.00055	(0.00098)	(0.00188)
S.C. KWH Sales	689,257,553	680,213,841	646,628,065	571,336,948	493,893,712	544,651,513	578,843,165	582,946,000	578,339,000
Deferred Fuel Entry	1,475,011	1,959,016	349,179	159,974	647,001	234,200	318,364	(571,287)	(1,087,277)
June 1998 (p.1 of 2)	9,509,641								
Cumulative (Over)/Under	10,984,652	12,943,668	13,292,847	13,452,821	14,099,822	14,334,022	14,652,386	14,081,099	12,993,822
Recovery									

(Explanation for Note (2) is on Page 1 of 2.)